

## **Sime Darby Property Doubles Half-Year Profit** *Hits RM2.1 Billion Sales Mark*

- Strongest H1 Performance for Revenue, Operating Profit & Sales since the 2017 demerger;
- Achieved 59% Revenue growth to RM2.2 billion (H1 FY2024 vs H1 FY2023);
- PBT surged 110% to RM446.3 million and PATAMI doubled to RM285.5 million;
- Achieved RM2.1 billion in sales, amounting to 60% of revised RM3.5 billion FY2024 target;
- Declared dividend of 1.5 sen, with a total dividend payout of RM102.0 million.

**ARA DAMANSARA, 22 August 2024** – Sime Darby Property Berhad (“Sime Darby Property” or “Group”) delivered record results for the first six months ended 30 June 2024 (“H1 FY2024”), marking its strongest half-year performance since the 2017 demerger. The Group registered a 59% increase in revenue to RM2.2 billion, while operating profit, profit before tax (“PBT”), and profit after tax and minority interest (“PATAMI”) more than doubled year-on-year (“YoY”) to RM532.2 million, RM446.3 million, and RM285.5 million, respectively.

The Group’s financial performance was primarily attributed to the sustained sales momentum across a diversified product mix and improved site progress within the Property Development segment. The Group achieved its highest half-year sales performance, reaching RM2.1 billion for H1 FY2024, marking a 40% increase from RM1.5 billion in the same period last year. In Q2 FY2024 alone, revenue improved by 75% YoY to RM1.2 billion, while PBT grew by 132% to RM265.6 million.

Sime Darby Property’s Group Managing Director, Dato’ Seri Azmir Merican, said, “Our first half results have been exceptional, demonstrating our capacity to strategically align with market demands and enhance our operational efficiencies. The notable contributions from our industrial, residential high-rise and residential landed segments have been instrumental in reaching 60% of our RM3.5 billion sales target, underscoring the effectiveness of diversifying our product mix.”

Building on this momentum, the Group announced plans in May 2024 to construct Google’s hyperscale data centre, marking its entry into the data centre asset class. This move aligns with the Group’s SHIFT25 strategy to boost recurring income. The 20-year lease, valued at RM2 billion with options for renewal, not only strengthens the Group’s market presence but also taps into new opportunities in the rapidly expanding data centre sector.

Dato' Seri Azmir added, "This approach has not only marked this period as one of our strongest since the demerger but also solidifies our commitment to our SHIFT25 targets. By focusing on agility and growth, we adapt to market challenges and ensure long-term value creation."

### **H1 FY2024 vs H1 FY2023**

The Property Development segment demonstrated impressive growth with revenue rising to RM2.1 billion, a 62% increase from the same period last year. This significant increment was primarily driven by heightened sales activity and on-site development progress from major townships such as Bandar Bukit Raja, Serenia City, City of Elmina, KLGCC Resort, and Ara Damansara township, coupled with contribution from non-core land monetisation in Selangor leading to an overall increase of 133% YoY PBT to RM476 million.

The Investment & Asset Management ("IAM") segment's revenue increased by 11% to RM58.1 million attributable to higher occupancy rates, which reached 96%, and positive rental reversions at KL East Mall. Despite these gains, the segment faced challenges, with share of losses from joint ventures contributing to a loss before tax ("LBT") of RM29.5 million.

### **H1 FY2024 Launches and Sales**

In H1 FY2024, the Group launched products totalling RM2.3 billion in Gross Development Value ("GDV"), achieving 59% of the full-year target of RM3.9 billion. Industrial products accounted for 37% of the launches, followed by residential high-rise at 33% and residential landed at 21%. Residential properties continued to generate strong demand, as demonstrated by products such as The Ophera, a premium residential high-rise at KLGCC Resort, achieving an 81% take-up rate, and Elmina Ridge 1, achieving a 95% take-up rate. Overall, the average take-up rate for all products amounted to 77% as of 11 August 2024.

The Group achieved RM2.1 billion in total sales, representing a 40% increase from RM1.5 billion last year, and marking the highest first-half sales since the 2017 demerger. The industrial segment contributed 35% to total sales, with residential high-rise and landed properties contributing 25% and 21% respectively, across its major townships and commercial properties contributing at 14% mainly from City of Elmina and Serenia City. Subsequently, the Group has raised its FY2024 sales target by 17%, from RM3.0 billion to RM3.5 billion, fuelled by strong demand. Overall bookings as of 11 August 2024 stood at RM2.2 billion.

### **Dividend**

Sime Darby Property declared its first dividend of 1.5 sen per share for the financial year ending

31 December 2024 amounting to a payout of RM102 million, reflective of the Group's commitment to delivering shareholder value.

### **Other Financial / Operational Achievements**

As of 30 June 2024, the Group maintains healthy unbilled sales of RM3.7 billion, ensuring revenue stability for the next three years. Completed inventories reduced by 20.7% to RM369.6 million from RM466.3 million in the previous quarter, showcasing effective stock management. Cash balances remain healthy at RM603.7 million coupled with a net gearing ratio of 22.3%.

Reinforcing its strong financial performance and operational robustness, Sime Darby Property was successfully re-included in the FTSE Bursa Malaysia Mid 70 Index as of 24 June 2024. This re-inclusion affirms market confidence in the Group. Furthermore, Sime Darby Property was featured in the inaugural Fortune Southeast Asia 500, recognising the region's largest companies by revenue for 2023.

Further advancing its sustainability goals, in July 2024, Sime Darby Property partnered with GSPARX, a subsidiary of Tenaga Nasional Berhad, to launch a joint venture for rooftop solar projects. This initiative aligns with the Group's goal to increase the use of renewable energy in its operations and minimise environmental impact.

As part of its ongoing efforts to enhance community living, Sime Darby Property is set to open its second wholly owned neighbourhood shopping centre, Elmina Lakeside Mall, on 22 August 2024. Located in the City of Elmina, this development is anticipated to play a pivotal role in placemaking, enriching the area and boosting the community's vibrancy.

### **Outlook for FY2024**

Looking ahead, Sime Darby Property anticipates sustained momentum in H2 FY2024, driven by healthy demand and rising sales volume. The Group's ongoing transformation into a leading Real Estate Company remains firmly on track.

Group Managing Director, Dato' Seri Azmir Merican, concluded, "Our strong H1 performance indicates that our strategic initiatives are well-positioned. We are on course to achieve our targets and create value for all stakeholders by seizing current market opportunities while ensuring long-term growth and sustainability."

**- END OF PRESS RELEASE -**

### **About Sime Darby Property Berhad**

With over 50 years of experience, Sime Darby Property leads in creating master-planned communities, setting the benchmark for quality, innovation, and sustainability in residential, integrated and high-rise projects within its 25 townships and developments across Malaysia.

As it transitions into a real estate company by 2025, the company drives the industrial and logistics segment in Elmina Business Park, Bandar Bukit Raja, Hamilton Nilai City, and the Pagoh Special Economic Zone. Propelling its recurring income portfolio, Sime Darby Property is also the first public-listed property developer in Malaysia to venture into the creation of development funds in the industrial and logistics sector.

The company has pledged to achieve Net Zero carbon emissions by 2050, referencing the science-based target of limiting global temperature rise to 1.5°C. A consistent champion for biodiversity, Sime Darby Property is a constituent of the MSCI ACWI Small Cap Index with MSCI ESG Rating of BBB and is rated by the Carbon Disclosure Project.

A part of the respectable Malaysian consortium which successfully regenerated the iconic Battersea Power Station in the United Kingdom, Sime Darby Property also owns the multi-award-winning Kuala Lumpur Golf & Country Club, host to the prestigious LPGA-sanctioned Maybank Championship.

Driven by its Purpose to be a Value Multiplier for People, Businesses, Economies, and the Planet, Sime Darby Property through its philanthropic arm, Yayasan Sime Darby, continuously creates positive social impacts for the communities it serves.

Sime Darby Property is recognised as the World's Best with Gold and Silver wins at the FIABCI World Prix d'Excellence Awards 2023, with other notable achievements, including All-Stars at the StarProperty Awards 2023, a Platinum ranking in the Property Development category at the Putra Brand Awards 2023, a Top 10 Developers (Malaysia) Award at the BCI Asia Awards 2023, a People's Choice Award at the PropertyGuru Asia Awards Malaysia 2023, as well as named one of the nation's top three property developers at 'The Edge Malaysia's Top Property Developers Awards 2023'.

For more information log on to [www.simedarbyproperty.com](http://www.simedarbyproperty.com)

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